The resolution is moderately worded, but it makes it clear that the Employers' attitude is regarded as unhelpful in that they not only refused to provide certain valuable data which the Committee had the right to demand, but also went out of their way to suggest that the Committee was biased. The main points of the Resolution are: Need for a graded rise from 10-12 per cent, in wages; the recognition of the Mazdoor Sabha, provided that it undertakes constitutional changes to make it a disciplined and responsible body; proposals to establish a wage-fixing board and a Labour Commissioner.

The *Hindustan Times* remarks that, considering that the dividends paid by the Cawnpore mills on paid-up capital are much better than in other parts of the country, that production has increased by more than 100 per cent, in Cawnpore between 1929 and 1937, that wages in Bombay and Ahmedabad are certainly higher and that the price of cotton has fallen and that of cloth risen in these years, the Cawnpore employers can afford to do something for their workers. This paper, which is pro-Congress but in no way socialistic, hastens to add that it is not animated by any anti-capitalist bias and points out that the resolution does not leave out of consideration the need for a prosperous industry, and adds that "the confidence of the captains of industry and of the financiers in the conduct of affairs should not be impaired."

The Congress Government in U.P., at any rate, is beginning to have to face the problem which awaits all "New Dealers" and sincere democrats, viz. that class divisions are only too real. Events of the last few weeks show that there is a tendency on the part of the industrialists to make a common front with the landlords against the Congress. The situation in Cawnpore shows clearly that the old idea that the Congress is entirely a weapon in the hands of the capitalist class is by no means correct. It is a genuinely democratic, anti-imperialist party faced with just those contradictions which face all democratic parties throughout the world.[1]

*July 1938-*

[1] The dispute in Gawnpore was settled after almost twelve months' strife by an agreement on the whole favourable to the workers.